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**FISCAL IMPACT STATEMENT**

**LS 6263**

**BILL NUMBER:** SB 266

**NOTE PREPARED:** Feb 26, 2006

**BILL AMENDED:** Feb 23, 2006

**SUBJECT:** Confidentiality of Bariatric Surgery Reports.

**FIRST AUTHOR:** Sen. Miller

**FIRST SPONSOR:** Rep. T Brown

**BILL STATUS:** CR Adopted - 2<sup>nd</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** No Fiscal Impact

**Summary of Legislation:** (Amended) This bill specifies that a physician's duty to monitor a bariatric surgery patient for five years applies unless the physician is unable to locate the patient after a reasonable effort. It establishes certain topics that must be discussed with a patient before bariatric surgery. The bill provides that a report made by a physician to the State Department of Health of a death or serious complication of a patient who had surgical treatment for the treatment of morbid obesity is confidential. It specifies that statistical reports compiled by the State Department from the reported information are subject to public inspection. The bill also requires 6 months of supervised nonsurgical treatment before health insurance or a health maintenance organization must cover surgical treatment for morbid obesity. (Current law requires 18 months of supervised nonsurgical treatment.)

**Effective Date:** July 1, 2006.

**Explanation of State Expenditures:** This bill specifies that reports to the State Department of Health that are required to be filed by physicians who perform bariatric surgeries are confidential. Current law provides that these reports are public records and are subject to public inspection. The reports are required to contain the gender of the patient, the name of the physician that performed the surgery, the location where the surgery was performed, and information concerning the death or complication and the circumstances in which the death or complication occurred. This revision should have no fiscal impact on the state.

(Revised) *Reduction of the Waiting Period for Bariatric Surgery:* This bill does not explicitly require the waiting period to be reduced for the required coverage of surgical treatment for morbid obesity for the state and local employee health benefit programs. However, the health benefit program for state employees usually

adopts benefits that are mandated on insurance and health maintenance organizations. To the extent that these provisions result in additional costs to the state's self-funded health benefit plan or to the health plans providing coverage to the state's employees, there could be additional costs of providing health benefits. If the plans pass the additional costs on to the state or local governments in the form of higher premiums and enrollment fees, there would be additional state or local costs in the provision of health benefits to employees. This surgery may also provide benefits that reduce affected individuals' health care expenses related to the comorbidities associated with morbid obesity. The extent to which state managed care premiums would reflect any offsetting savings is unknown.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) See *Explanation of State Expenditures* regarding the discussion concerning the reduction of the waiting period for bariatric surgery.

**Explanation of Local Revenues:**

**State Agencies Affected:** All

**Local Agencies Affected:** Local governments that provide health benefits to employees.

**Information Sources:** IC 5-10-8-7.7

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